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MARIJUANA LEGALIZATION. INITIATIVE STATUTE.

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April 14, 2015

To: The Office of the Attorney General
ATTN: Initiative Coordinator
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RECEIVED

APR 15 2015

INITIATIVE COORDINATOR
ATTORNEY GENERAL'S OFFICE

Re: Request for Circulating Title and Summary; Signed Certification; Signed Statement;
The California Craft Cannabis Initiative

To the Initiative Coordinator,

The undersigned California attorneys, Heather Burke and Omar Figueroa, hereby request that a circulating title and summary of the chief purpose and points of the attached proposed California Artisan Cannabis initiative measure be prepared. (*Elections Code § 9001(a).*)

A \$200 check for the same is also included. Please notify us immediately if there are any questions or concerns.

Sincerely,


HEATHER L. BURKE

Dated this 14th day of April, 2015


OMAR FIGUEROADated this 14th day of April, 2015

The California Craft Cannabis Initiative

SECTION 1. Article 2 (commencing with Section 14205) is added to Chapter 2 of Division 6 of the Business and Professions Code, to read:

Article 2. Cannabis Trademark

14213. A mark by which the cannabis goods or cannabis-related services of any applicant for registration may be distinguished from the cannabis goods or services of others shall be registered once the secretary confirms conformity with this chapter.

SECTION 2. Article 12 (commencing with Section 1065) is added to Chapter 4 of Division 8 of the Evidence Code, to read:

Article 12. Cannabis Licensee Privilege

1065. (a) An applicant within the meaning of subdivision (b) of Section 11424 of the Health and Safety Code, whether or not a party to the action, has a privilege to refuse to disclose, and to prevent another from disclosing, a confidential communication between the applicant and the California Cannabis Commission if the privilege is claimed by any of the following persons:

- (1) The holder of the privilege.
 - (2) A person who is authorized to claim the privilege by the holder of the privilege.
- (b) The commission shall inform an applicant of any applicable limitations on the confidentiality of communications between the applicant and the commission. This information may be given orally.
- (c) The court may not compel disclosure of information received by the commission when sought by the federal government in order to investigate or prosecute violations of federal marijuana prohibitions unless there are verified allegations of violence or threats of violence.
- (d) The court may permit the disclosure of information received by the commission when it is essential to a fair adjudication of any factual or legal dispute between the commission and an applicant, subject to appropriate protective orders.
- (e) When a court rules on a claim of privilege under this section, it may require the person from whom the disclosure is sought or the person authorized to claim the privilege, or both, to disclose the information in chambers out of the presence and hearing of all persons except the person authorized to claim the privilege and those other persons that the person authorized to claim the privilege consents to have present.
- (f) If the judge determines that the information is privileged and shall not be disclosed, neither he

or she nor any other person may disclose, without the consent of a person authorized to permit disclosure, any information disclosed in the course of the proceedings in chambers.

SECTION 3. Chapter 6.7 (commencing with Section 11420) is added to Division 10 of the Health and Safety Code, to read:

CHAPTER 6.7. The Craft Cannabis Act

Article 1. General

11420. This chapter shall be known, and may be cited, as the Craft Cannabis Act.

11421. The people of the State of California find and declare all of the following:

- (a) The political power is inherent in the people pursuant to the United States Constitution and the California Constitution, and the people of the State of California hold the initiative power to propose and adopt statutory measures to support the availability and safe, controlled, and accessible use and cultivation of cannabis in the state.
- (b) That the enforcement of laws criminalizing the possession, distribution, and cultivation of cannabis diverts law enforcement resources from the investigation of serious and violent crimes.
- (c) That cannabis does not have a high potential for abuse, does have accepted medical use in treatment in the United States, and is generally accepted as safe for medical use under medical supervision.

11422. The people of this state, exercising the rights vested in them, do hereby legalize cannabis in the State of California in accordance with this chapter. Notwithstanding any other law, the cultivation, processing, transportation, distribution, sale, possession, and use of cannabis is authorized by persons 21 years of age or older, and no statute prohibiting consensual cannabis-related conduct by adults 21 years of age or older is of any force or effect, except as specifically provided for in this chapter.

11423. (a) Regulations shall be promulgated pursuant to this chapter by the California Cannabis Commission established pursuant to Article 2 (commencing with Section 11425) to ensure that consensual cannabis-related conduct by adults 21 years of age or older is subject to the following:

- (1) The distribution of cannabis to individuals younger than 21 years of age is prohibited.
- (2) Revenue from sales of cannabis or cannabis products shall not benefit enterprises that are illegal under California law.
- (3) The distribution or transport of cannabis to other states is prohibited, for so long as required

by the United States Code and the federal Department of Justice.

(4) State-authorized cannabis activity shall not be used as a pretense for the trafficking of other illegal drugs or activity.

(5) Prevention of the use of firearms in the cultivation, processing, or distribution of cannabis.

(6) Public safety shall be protected by the continued prohibition on the operation of a motor vehicle while impaired, pursuant to existing law.

(7) The cultivation, possession, and use of cannabis is prohibited on public lands.

(b) The Legislature is authorized to address any public health consequences of cannabis use that may arise.

11424. As used in this chapter, the following definitions shall control:

(a) "Adult use" means cannabis for use by persons 21 years of age or older that is not intended for a medical purpose pursuant to the Compassionate Use Act of 1996 (Article 2 (commencing with Section 11362.5) of Chapter 6).

(b) "Applicant" means any person, individual, partnership, group, association, corporation, institution, or entity, and the officers, directors, owners, managing employees, or agents thereof, that apply to the commission for a license specified in this chapter.

(c) "Cannabis" means all parts of the plant genus Cannabis, including the natural plants Cannabis sativa, Cannabis indica, and Cannabis ruderalis, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin.

(d) "Commission" means the California Cannabis Commission established pursuant to Article 2 (commencing with Section 11425).

(e) "Medical cannabis dispensary" means a cooperative, collective, dispensary, operator, establishment, or provider attempting to comply in good faith with Article 2.5 (commencing with Section 11362.7) of Chapter 6 of Division 10.

Article 2. California Cannabis Commission

11425. (a) There is in state government the California Cannabis Commission headed by the executive commissioner of the commission. The commission consists of five voting members, the executive commissioner who shall be elected statewide for a four-year term at each gubernatorial election and four commissioners elected for four-year terms, two of whom shall be elected at each gubernatorial election and the other two shall be elected at the intervening statewide general election. Each member shall represent a district corresponding to the four

Board of Equalization districts, with the voters of each district electing one commissioner. Members whose districts correspond to Board of Equalization districts 1 and 3 shall be elected at the same gubernatorial election occurring on November 6, 2018, and the other two members shall be elected at the ensuing statewide general election that occurs on November 3, 2020. The executive commissioner and commissioners shall each serve not more than two terms. The executive commissioner and commissioners shall enter upon the duties of the office on the Monday after the first day of January after the election. The offices of executive commissioner and commissioners are nonpartisan offices for purposes of, including, but not limited to, election and campaign law. The commissioner may employ in accordance with law, professional assistants and clerical and other employees as he or she deems necessary for the effective conduct of the work under his or her charge. The annual salary and the medical, dental, insurance, and other similar benefits of the commissioner and members of the commission shall be established by the California Citizens Compensation Commission.

(b) The first executive commissioner and commissioners shall be appointed by the Lieutenant Governor no later than January 1, 2017, and shall begin issuing permits for the cultivation and sale of cannabis pursuant to this chapter no later than January 1, 2018. This appointed term of office of the first elected commissioner and the two members whose districts correspond to Board of Equalization districts 1 and 3 shall expire on January 7, 2019, and the appointed term of the other two members whose districts correspond to Board of Equalization districts 2 and 4 shall expire on January 4, 2021. The appointed terms count as a term for purposes of the two-term limit.

(c) The executive commissioner may appoint an individual to the commission to fill a vacancy, including those caused by the death or resignation of a member. An appointment to fill a vacancy in the commission shall be for the unexpired term of the office in which the vacancy exists, and that appointed term or portion of a term shall count as a term for purposes of the two-term limit.

11426. (a) The commission shall have the power to make all regulations necessary and proper to effectuate the will and intent of the people in enacting this chapter, and may carry out or delegate the enforcement and administration of this chapter to other public agencies.

(b) The commission shall have the power to ensure that Californians 21 years of age or older have access to cannabis from open, transparent, and highly reliable sources, that all cannabis products available for sale in California are safe, carefully inventoried, and accurately labeled, which shall include the power to inspect premises where cannabis is grown, processed, stored, or sold for adult-use purposes; to regulate the testing of cannabis and cannabis-derived products by accredited laboratories; to issue licenses and charge related fees; to impose fines; to terminate the business operations of any person or entity that threatens the health and safety of the public, and in cases of severe and willful defiance of this chapter and regulations promulgated pursuant to this chapter, to seize cannabis for destruction.

(c) Despite its status as a Schedule I drug under federal law, cannabis factually has numerous currently accepted medical uses that have been studied and verified. One of the primary functions of the commission shall be to facilitate the safe access of cannabis to those who, for serious medical purposes such as seizures, cancer, AIDS, or hospice care, may most be in need

of access, but who, due to institutional, administrative, or financial barriers, may be most unable to gain safe access to cannabis.

(d) The regulation of cannabis in this state shall be highly transparent and the commission shall be subject to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title I of the Government Code). Notwithstanding any law, the commission shall make all records available to the public on a yearly basis, redacted only to avoid disclosure of the identity of a natural person and his or her personal contact information, on its Internet Web site. Additionally, the commission is subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) and shall conduct and maintain video and audio recordings of its meetings available on its Internet Web site.

11427. (a) The commission shall develop and issue the following licenses in accordance with this chapter:

- (1) A craft cultivator's license pursuant to Article 4 (commencing with Section 11430).
- (2) A commercial cultivator's license pursuant to Article 5 (commencing with Section 11434).
- (3) A cannabis processor's license pursuant to Article 6 (commencing with Section 11435) to process and produce edible food products containing cannabis.
- (4) A cannabis retailer's license pursuant to Article 7 (commencing with Section 11437) to sell cannabis and cannabis-derived products in retail outlets.

(b) Each license issued pursuant to this section shall be issued in the name of the applicant, shall specify the county in which the cannabis shall be cultivated within the state, and shall be nontransferable. Each license issued pursuant to this chapter shall be renewable on an annual basis, except that a craft cultivator's license shall be renewable every two years.

(c) The commission may develop a licensing system by which cannabis may be purchased, sold, served, consumed, and otherwise disposed of in a licensed premises in a manner similar to licensed premises serving alcoholic beverages. A licensing system developed pursuant to this subdivision may be subject to a statute passed in each house of the Legislature by roll call vote entered into the journal, a majority of the membership of each house concurring, and regulations promulgated thereto.

(d) A person who is not a California resident, or not incorporated in California, shall not be qualified for a license pursuant to this section.

11428. The commission may do all of the following:

- (a) Inspect the equipment and management of premises where cannabis is cultivated or processed for adult use, and of retail outlets where cannabis is sold.

- (b) Require the creation of books and records to be maintained by licensees, and to require the inspection of the same.
- (c) Promulgate regulations governing the methods of production, processing, and packaging of cannabis and cannabis-derived products, the conditions of sanitation, and standards for ingredients, quality, and identity of cannabis and cannabis-derived products that are produced, processed, packaged, or sold by licensees.
- (d) Impose security requirements for retail outlets and premises where cannabis is produced or processed, and impose safety protocols for licensees and their employees.
- (e) Create standards for the screening, hiring, training, and supervising of employees of licensees.
- (f) Establish retail outlet location hours of operation.
- (g) Impose restrictions on the advertisement of cannabis and cannabis-derived products, and prohibit advertisements aimed at children or young adults under 21 years of age, or both.
- (h) Produce forms to be used for the purposes of this chapter, establish the terms and conditions to be contained in licenses issued pursuant to this chapter, and develop qualifications for receiving a license pursuant to this chapter, including a criminal history record information check, except that prior criminal history relating to cannabis use, distribution, cultivation, manufacture, or other cannabis-related activity, regardless of jurisdiction, shall not be considered in the granting or denying of a license pursuant to this chapter.
- (i) Establish application, reinstatement, and renewal fees for licenses issued pursuant to this chapter, and fees for anything done or permitted to be done under regulations promulgated to implement and enforce this chapter.
- (j) Develop the manner of giving and serving notices required by regulations promulgated to implement and enforce this chapter.
- (k) Establish standards for the times and periods when, and the manner, methods, and means by which, licensees may transport and deliver cannabis and cannabis-derived products within the state.
- (l) Ensure that all cannabis available for sale in California is accurately labeled. The commission may require the use of a universal symbol or other recognizable logotype identifying the presence of cannabis in any product available for distribution. All cannabis sold in the state for adult use shall be labeled and shall include on its label a disclosure regarding the presence of any genetically modified organism.

Article 3. Personal Use

11429. (a) A person may cultivate for personal use, on private property, 6 or fewer cannabis

plants, provided that all reasonable measures are taken to ensure that the plants are not seen, smelled, or perceived by nonconsenting neighbors or the public. Except to the extent that the person interferes with the quiet enjoyment of the property of another, in which case specific conduct that creates a nuisance may be enjoined as such, this section preempts local ordinances regulating the personal cultivation of cannabis.

(b) For purposes of this chapter, "personal use" means for the use of natural persons involved in the cultivation of cannabis. Cannabis cultivated for personal use pursuant to this section may not be sold for a profit but may be shared without consideration, or in exchange for remuneration limited to the reasonable cost of cultivating the cannabis.

Article 4. Craft Cultivators

11430. (a) The commission shall develop and issue a license for the craft cultivation of cannabis. It is the intent of the people in enacting this article to create a robust and competitive cannabis industry. Accordingly, the commission may not limit the total number of licenses that may be issued pursuant to this article. The commission shall develop an application that is more streamlined in comparison to the applications developed pursuant to Article 5 (commencing with Section 11434). It is the intent of the people in enacting this article that the reasonable costs of regulating a craft cultivator under this article will be less than the costs of regulating a commercial cultivator pursuant to Article 5 (commencing with Section 11434).

(b) For purposes of this chapter, "craft cultivation" means the cultivation of less than 100 cannabis plants.

(c) For cultivation occurring outdoors, craft cultivation is not permitted on land zoned primarily for residential use, and shall be limited to facilities that are zoned for industrial uses for cultivation occurring indoors. A residential building may not be used for craft cultivation purposes. Craft cultivation may be further regulated but not prohibited by local zoning ordinances.

(d) Except as provided in Section 11431, craft cultivators may only sell cannabis for profit to licensed cannabis retailers, licensed cannabis processors, or cottage food operations producing edible food products pursuant to Section 11436.

11431. (a) The commission may separately license a craft cultivator, subject to local zoning ordinances, to sell cannabis for a profit on the premises where the cannabis is cultivated, and may separately license the consumption of cannabis so purchased on those premises.

(b) Any license developed and issued pursuant to this section may be subject to a statute passed in each house of the Legislature by roll call vote entered in the journal, a majority of the membership of each house concurring.

11432. (a) The commission shall compile and update an official list of California's world-famous cannabis appellations, including, but not limited to, Humboldt County, Mendocino County, Trinity County, and the Emerald Triangle. Cannabis cultivated by a craft cultivator may be

labeled according to the official county and regional appellation where the cannabis was cultivated. A craft cultivator may submit official appellations to the commission for consideration.

(b) Cannabis cultivated by a craft cultivator may be labeled as organic if grown in compliance with the requirements of the California Organic Products Act of 2003 (Chapter 10 (commencing with Section 46000) of Division 17 of the Food and Agricultural Code).

(c) Cannabis cultivated by a craft cultivator with no more than one hundred thousand dollars (\$100,000) in net annual sales in the calendar year may be labeled "homegrown." All other cannabis cultivated by a craft cultivator may be labeled as having been cultivated by a craft cultivator.

11433. (a) The commission shall be responsible for the establishment of the California Cannabis Genetic Repository, to maintain germplasm of all reasonably available strains of the plant genus Cannabis for the purpose of documenting and preserving the genetic diversity of cannabis.

(b) Any person or business entity may anonymously submit Cannabis germplasm to the repository. The repository shall accept germplasm in the form of plant tissue from the mature stalk of the Cannabis plant, which is considered nonmarijuana under federal law, until that time as it can lawfully accept, under federal law, germplasm in other forms, such as seeds capable of germination. All germplasm in the bank, including those from genetically modified organisms, shall be made freely available for scientific, educational, medical and research purposes.

(c) The commission shall be responsible for developing a standardized nomenclature for the description of various strains of cannabis based on plant genetics.

(d) Pursuant to regulations and testing requirements promulgated by the commission, cannabis cultivated by a craft cultivator may be labeled as consisting of an officially recognized strain using standardized nomenclature developed pursuant to this section.

Article 5. Commercial Cultivation

11434. (a) The commission may develop and issue a license for the commercial cultivation of cannabis. The commission may impose reasonable limits on the total number of licenses that may be issued pursuant to this article, except that priority shall be given to natural persons and any medical cannabis dispensary, collective or cooperative that has been operating in good faith pursuant to Article 2.5 (commencing with Section 11362.7) of Chapter 6 for more than one year prior to January 1, 2017. The commission may develop a tiered licensing structure for commercial cultivation according to these priorities.

(b) For the purposes of this chapter, "commercial cultivation" means the cultivation of 100 or more plants. Commercial cultivation of cannabis shall be subject to extensive regulation by the commission.

(c) For cultivation occurring outdoors, commercial cultivation is not permitted on land zoned

primarily for residential use, and shall be limited to facilities that are zoned for industrial uses for cultivation occurring indoors. A residential building may not be used for commercial cultivation. Commercial cultivation shall be subject to any additional environmental, agricultural, business, marketing, consumer protection, employment, and tax regulation, and to any statute passed in each house of the Legislature by a roll call vote entered in the journal, a majority of each house concurring.

(d) Commercial cultivators may only sell cannabis to licensed cannabis retailers.

Article 6. Cannabis Processors

11435. (a) The commission shall develop and issue a license for the processing of cannabis into concentrates and edible food products.

(b) All concentrates and edible food products containing cannabis shall be manufactured, produced, prepared, compounded, packed, stored, transported, kept for sale, and served so as to be pure and free from adulteration and spoilage, shall have been obtained from approved sources, shall be protected from dirt, vermin, unnecessary handling, droplet contamination, overhead leakage, or other environmental sources of contamination, shall otherwise be fully fit for human consumption, and, except as provided in Section 11436, shall conform to any law applicable to the production of edible food products.

11436. Upon the effective date of this chapter, edible food products containing cannabis may be produced and made available by cottage food operations pursuant to Chapter 11.5 (commencing with Section 114365) of Part 7 of Division 104, except that a person or business entity operation pursuant to this section is not subject to the limitation of fifty thousand dollars (\$50,000) in gross annual sales in the calendar year imposed by Section 113758, but is instead subject to a maximum of one hundred thousand dollars (\$100,000) in gross annual sales in the calendar year. Only products made available by cottage food operations pursuant to this section may be labeled "homemade." A home cottage food operation operating pursuant to this section is not subject to licensing or application fees other than those required by Chapter 11.5 (commencing with Section 114365) of Part 7 of Division 104.

Article 7. Retail Outlets

11437. (a) The commission shall develop a cannabis retailer's license to sell cannabis, edible food products containing cannabis, and cannabis-derived products in retail outlets. Retail outlets shall be limited to facilities zoned for commercial uses. A local government entity may further provide for the zoning of businesses selling or otherwise distributing medical or adult-use cannabis pursuant to existing authority but may not ban the sale of cannabis. A local government entity may enforce an ordinance limiting a franchised storefront or storefront that is part of a chain of businesses to one location.

(b) The commission shall promulgate regulations for the testing of cannabis available for sale at retail outlets and shall ensure that all cannabis available for sale is accurately labeled, and labeled in accordance with this chapter.

11438. Upon the effective date of this article, a medical cannabis dispensary that possesses, cultivates, or distributes medical cannabis and has been operating in good faith pursuant to Article 2.5 (commencing with Section 11362.7) of Chapter 6 for more than one year prior to January 1, 2017, and that has applied for and obtained a California seller's permit from the State Board of Equalization, may elect to operate for adult-use purposes as a cannabis retailer, provided the election take place before July 1, 2017, and the entity is subject to all laws enacted by the Legislature and regulations promulgated by the commission subsequent to the effective date of this section.

Article 8. Miscellaneous

11439. An Applicant pursuant to Sections 11434, 11435, or 11437 shall have been a resident of California for at least three years prior to the date of the Application. When the Commission determines whether an Applicant is a resident, the following factors will be considered:

(a) Primary Home Defined. The location of an Applicant's principal or primary home or place of abode ("primary home") may establish California residency. An Applicant's primary home is that home or place in which a person's habitation is fixed and to which the person, whenever absent, has the present intention of returning after a departure or absence therefrom, regardless of the duration of such absence. A primary home is a permanent building or part of a building and may include, by way of example, a house, condominium, apartment, room in a house, or manufactured housing. No rental property, vacant lot, vacant house or cabin, or other premises used solely for business purposes shall be considered a primary home.

(b) Reliable Indicators That an Applicant's Primary Home is in California. The Commission shall consider the following types of evidence to be generally reliable indicators that a person's primary home is in California.

(1) Evidence of business pursuits; place of employment; membership in the armed services of the United States or any nation allied with the United States on active duty in this state; sources of income; residence for income or other tax purposes; age; residence of parents, spouse, and children, if any; leaseholds; situs of personal and real property; existence of any other residences outside of California and the amount of time spent at each such residence; and any motor vehicle or vessel registration;

(2) Duly authenticated copies of the following documents may be taken into account: A current driver's license with address, recent property tax receipts, copies of recent income tax returns where a California mailing address is listed as the primary address, current voter registration cards, current motor vehicle or vessel registrations, and other public records evidencing place of abode or employment; and

(3) Totality of the Evidence. The Commission will review the totality of the evidence, and any single piece of evidence regarding the location of a person's primary home will not necessarily be determinative.

(c) Entering Armed Forces Does Not Terminate Residency. An individual who is a California resident pursuant to this rule does not terminate California residency upon entering the armed services of the United States. A member of the armed services on active duty who resided in California at the time he or she entered military service and the member's spouse are presumed to retain their status as residents of California throughout the member's active duty in the service, regardless of where stationed or for how long.

(d) This Section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2020, deletes or extends that date. The repeal of this section does not terminate any right, obligation, or authority, or any provision necessary to carry out these rights and obligations.

11440. (a) All taxes applicable to the sale of tangible personal property apply to the sale of cannabis for adult use. The Legislature may impose additional taxes on the processing and sale of cannabis, provided that the cumulative taxes on cannabis do not exceed 30 percent of the retail market value of the cannabis, except as provided in subdivision (c) of Section 11434.

(b) When intended for medical purposes upon the recommendation of a physician and dispensed by a medical marijuana dispensary, cannabis is a medicine and a dispensary is a health facility for the purposes of paragraph (3) of subdivision (a) of Section 6369 of the Revenue and Taxation Code and the Legislature may not impose a tax on the sale of that cannabis.

11441. Laws, rules, and regulations that impose reasonable time, place, and manner restrictions on the possession or consumption of cannabis, or both, in public, shall continue to be of force and effect and may be amended, provided that no such limitation applies to any place where the person consuming or possessing the cannabis has a reasonable expectation of privacy. Laws, rules, and regulations that prohibit certain conduct while impaired, including, but not limited to, prohibiting public intoxication, the driving of a motor vehicle, the operation of machinery, or the performance of employment duties while impaired, continue to be of force and effect and may be amended by the Legislature.

11442. The sale, furnishing, or giving, or causing to be sold, furnished, or giving away of cannabis to a person under 21 years of age by a person 21 years or older is a misdemeanor. The possession of cannabis by a person under 21 years old shall be punishable by a fine in an amount not to exceed one hundred dollars (\$100) or by community service for a period not to exceed 30 days. This section does not apply to cannabis that is intended for medical purposes pursuant to the Compassionate Use Act of 1996 (Article 2 (commencing with Section 11362.5) of Chapter 6).

11443. Any local law or ordinance that is inconsistent with the policy of the state that cannabis be safe, regulated, and accessible is preempted.

11444. This Chapter shall be retroactive.

SECTION 4. If any provision of this act, or part thereof, is for any reason held to be invalid or unconstitutional, the remaining provisions shall not be affected, but shall remain in full force and

effect, and to this end the provisions of this act are severable.

SECTION 5. Except as otherwise provided in this act, the provisions of this act may be amended by the Legislature by a statute passed in each house by roll call vote entered in the journal, a majority of each house concurring, if the statute increases the number of plants that may be cultivated pursuant to this act, if the statute furthers the purposes of this act. All other amendments to this act by the Legislature shall be by a statute passed in each house by roll call vote entered in the journal, two-thirds of the membership of each house concurring, except that a bill that amends this act to impose criminal penalties on any consensual cannabis-related conduct by persons 21 years of age or older, or a bill that amends this act to reduce the number of plants that may be cultivated pursuant to this act shall become effective upon the enactment of statute that becomes effective only when approved by the voters.

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

MARIJUANA LEGALIZATION. INITIATIVE STATUTE. Retroactively legalizes, under state law, marijuana and hemp use, cultivation, possession, transportation, processing, distribution, and sale by persons 21 years and over. Creates commission to regulate and license marijuana industry. Bars commission from capping number of licensed businesses that grow less than 100 plants. Allows unlicensed cultivation for use, or sale at cost, of up to six plants per person. Applies general retail sales taxes to nonmedical marijuana sales. Permits additional taxes on nonmedical marijuana processing and sales totaling up to 30% of retail price. Allows certain local regulation, but not regulation inconsistent with measure's policies. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Reduced costs ranging from tens of millions of dollars to potentially exceeding \$100 million annually to state and local governments related to enforcing certain marijuana-related offenses, handling the related criminal cases in the court system, and incarcerating and supervising certain marijuana offenders. Net additional state and local tax revenues of potentially up to several hundred million dollars annually related to the production and sale of marijuana.** (15-0017.)